

LETTER OF INTENT

This Letter of Intent ("Letter") is made on December 2, 2003, by and between Ayurveda USA, LLC ("AYURVEDA"), an OHIO limited liability company with its principal place of business at 1536 Newton Pass, Cleveland OH 44117 and Pontiac General Hospital and Medical Center d/b/a North Oakland Medical Centers ("NOMC"), a Michigan non-profit corporation with its principal place of business at 461 West Huron Street, Pontiac, Michigan 48341.

WHEREAS, AYURVEDA possesses an exclusive for the United States license for certain inventions ("Licensed Technology") that can be used in providing specialized treatment to persons with cerebral palsy, motor development delays and other neuromotor disorders;

WHEREAS, NOMC desires to obtain a license to such Licensed Technology and AYURVEDA is willing to grant such a license to NOMC in return for appropriate and reasonable remuneration; and

WHEREAS, the parties desire to enter into this Letter to set forth certain non-binding understandings and certain binding agreements between NOMC and AYURVEDA.

The following numbered paragraphs reflect the preliminary understanding by and between the parties of the matters described in each such paragraph but, unless otherwise specifically indicated, these paragraphs are not to constitute a complete statement of, or a legally binding or enforceable agreement or commitment on the part of NOMC or AYURVEDA, or to otherwise impose on either of the parties an enforceable duty or obligation to negotiate towards or conclude any such agreement or commitment.

1. Time Schedule. NOMC and AYURVEDA agree to use best efforts to attempt to identify and resolve the issues associated with entering into a license agreement as expeditiously as practical. It is the parties' mutual goal to enter into a definitive affiliation agreement within ninety (90) days. In the event this time frame cannot be met, it may be extended only in writing by mutual agreement of the parties.

2. Compensation.

2.1 In return for a license fee and royalty payments made by NOMC, AYURVEDA agrees to provide a license to fully utilize the Licensed Technology to NOMC.

2.2 The remuneration to AYURVEDA from NOMC for the license will include a one-time license fee and annual royalty payments.

3. Services Provided by AYURVEDA. AYURVEDA shall provide to NOMC training related to the utilization of Licensed Technology including the Adeli suit.

It is understood that the above Paragraphs (1) through (3) do not constitute a binding obligation on either party. Notwithstanding the foregoing, the following Paragraphs (A) through (F) of this Letter shall be binding upon and enforceable against NOMC and AYURVEDA:

A. Access to Records. Each party will provide the other and their respective employees, authorized representatives, and professional advisors access to such facilities, records, documents, and information which either party or their respective employees, authorized representatives, and professional advisors believe are reasonably necessary to inspect, audit, and review in order to evaluate the proposed license agreement. Each party will conduct any inspection, audit, and review in a reasonable manner during regular business hours. In the event either party elects not to proceed with a license agreement, all records, documents, and information either party obtains regarding the other will be either returned or destroyed. Affidavits as to destruction will be provided by each party to the other on request. The provisions of this Paragraph A shall survive the termination of this Letter.

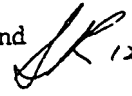
B. Confidentiality. NOMC and AYURVEDA agree that all information obtained or learned about the other party through the negotiations described in this Letter (including any information obtained pursuant to Paragraph A above) will be treated as confidential information and will not be disclosed to any third party (other than our respective affiliates, authorized representatives, professional advisors or applicable governmental agencies and third party payors) without the consent of the other. Further, the existing Non-Disclosure Agreement in effect between the parties shall remain in full effect for the term previously agreed, without modification. The parties also agree that the existence of this Letter will be kept confidential until such time as the parties mutually agree to disclose the existence of the parties' discussions and negotiations. The provisions of this Paragraph B shall survive the termination of this Letter.

C. Exclusivity. During the period of time commencing on the execution of this Letter and ending with the earlier of: (i) the execution of a license agreement, or (ii) the termination of this Letter, NOMC and AYURVEDA agree to negotiate exclusively with the other regarding the development of a licensing agreement for the Licensed Technology in the State of Michigan. Neither NOMC or AYURVEDA will engage in negotiations or discussions with any other hospital, health care system, corporation or provider in the State of Michigan regarding the licensing of the Licensed Technology or any similar transaction without the consent of the other.

D. Condition Precedent. The creation of a legally binding license agreement between NOMC and AYURVEDA are expressly subject to satisfaction of


certain conditions including, but not limited to, the approval of the license agreement by NOMC's Board Members.

E. **Termination.** If the terminating party is not in breach of any of the binding provisions of this Letter, and if the parties do not enter into a definitive agreement within ninety (90) days from the date of execution of this Letter, then this Letter shall be deemed terminated unless the parties agree to mutually extend this Letter in writing. In the event of termination, this Letter (except for Paragraphs A, B and C) will be of no further force and effect, and neither party will have any further obligations under this Letter to the other; provided, however, the provisions of Paragraphs A, B, and C shall remain in full force and effect.

F. **Governing Law.** This Letter will be construed in accordance with and governed by the laws and decisions of the State of Michigan. *State of Ohio*  12/02/03

If the foregoing is acceptable, please sign in the space provided below and return a signed copy of this Letter.

AYURVEDA USA, LLC

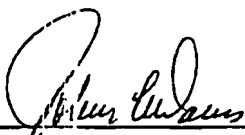
By: 

Sam Viderman

Its: President

ACKNOWLEDGED on 12/02, 2003.

NORTH OAKLAND MEDICAL CENTERS

By: 

Robert L. Davis

Its: President and Chief Executive Officer

ACKNOWLEDGED on 12/2, 2003.

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